

ARIZONA

BINGO REVIEW



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CRIMINAL INVESTIGATIONS

The Bingo Section is currently working on several criminal cases throughout the state which are in various stages of investigation.

Most of these cases came to our attention from bingo workers and players who made reports of suspicious behavior. We're thankful for those reports and hope they continue when questionable practices are observed, because in addition to damaging the particular organizations involved, illegal acts can disparage the reputation of legitimate bingo operations.

A variety of actions are being taken to address this situation.

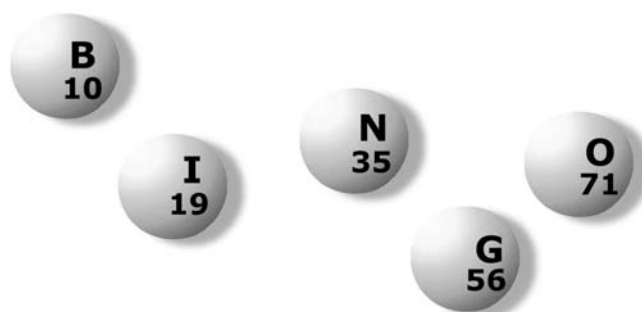
Notably, we have made legal compliance our top priority and recently hired another investigator. Furthermore, our auditing program is being automated as well as expanded. Other new programs and procedures are also being implemented concurrent with our pursuit of existing investigations and the prosecution of illegal activities to the full extent of the law.

We are committed to protecting bingo as a viable source of fund raising for your organization and ask for your continued support as we take the necessary measures to do so.

SURVEY RESULTS

Nearly 400 licensees completed and returned our recent survey, which represented a response rate of approximately 60%. The average score of 4.6 on a 5.0 scale was very gratifying. We're in the process of reviewing your narrative comments and in the

near future will be calling those of you who requested to speak with a supervisor. The feedback will be used to address concerns you may have and also to supplement our on-going efforts to provide excellent customer service.



DECEMBER RENEWALS

As always we processed a large number of renewals during December—273 to be exact. Thanks to all of you who were so cooperative and helped us to cope with the heavy workload.

INTERNET AVAILABILITY

For your convenience this newsletter and four years of previous editions are posted on our website. To view or make copies of them go to www.azdor.gov and click on the links to “other taxes” and “bingo”.

HELPFUL HINTS

Here's a short list of practical tips that may be helpful for conducting your bingo operations.

1. Without exception, only the Proceeds Coordinator is authorized to sign your financial report.
2. A Supervisor must be present at every bingo occasion and throughout the entire occasion.
3. You are required to file a notarized affidavit for each of your bingo workers. The only exception is for Class A licenses, which do not need affidavits for their Assistants.
4. Special Bonus Game authorizations must be renewed each year at the same time your license is renewed.
5. Class A workers may play bingo at the same occasions they're working while Class B and C workers may not.
6. All checks written on your bingo account for the purchase of goods and services must be made payable to a vendor.

BANK ACCOUNT INFORMATION

Class B and C licensees are requested to make sure the banking information on page 6 of their financial reports is complete. In particular please ensure that all your checking account and savings account information is respectively entered on lines 38 and 39 A & B.

NEW STAFF MEMBER

Former employee Jason Tussing has rejoined our Phoenix office as an Investigator. His education includes a Bachelor of Science degree from the University of Cincinnati and a Certificate of Law Enforcement Technology from Rio Salado College. Jason was the overall top recruit while at the Arizona Law Enforcement Academy, worked previously as an Officer at the Phoenix Police Department and is AZ POST certified. He will concentrate on compliance with central and northern Arizona licensees, and can be reached at 602-716-6244.



QUESTIONS & ANSWERS

Question: If a player announces they have bingo, but the caller doesn't hear them and proceeds to call another number that gives a second player bingo, which player is entitled to the prize?

Answer: It is not required for the caller to personally hear the bingo announcement. If any bingo worker heard the first player's announcement, they have a valid bingo and are the only prize winner (assuming, of course, that their card has all the correct numbers).

Question: Our bingo parlor says they can't pay out for powerball numbers except on regular games. What's the reason for this?

Answer: The basic rule governing a powerball game is that it cannot cause the prize to exceed the legal limit of \$1,000. We therefore advise licensees to set a cap on the amount of their powerball prize or to only offer it when the regular game prize plus the powerball will not go beyond the \$1,000 maximum per game or cause the total payout for the occasion to exceed \$3,000.

Question: Do we have to keep winner signature sheets for three years?

Answer: Yes. ARS § 5-407 says you must keep records as may be necessary to substantiate the particulars of each report you file. One such requirement is for a record containing the signature of each player who receives a cash prize and the amount of their cash prize. ARS § 5-408 states: "Such reports shall be maintained and available to the licensing authority for a period of three years."

Question: Can we pay all of our utility bill with bingo proceeds?

Answer: Yes. Report a proportionate amount for bingo on Schedule I of your financial report, and record the remainder on Schedule II.

Question: How much money can we give to our ladies auxiliary?

Answer: You may always donate up to 5% of your

net proceeds to the auxiliary. If you want to donate more, write us a letter and explain what you'd like to do. We will respond with written permission (as required by statute) for any lawful request.

Question: If a husband and wife come to the occasion together, can they make out one check to purchase both their cards?

Answer: Yes

Question: I had a player who wanted me to read all the bingo laws and rules to them before the occasion got started. Did I have to?

Answer: No. R15-7-221 only specifies that a copy of the rules and applicable statutes be on the premises and available for inspection by any player upon request.

Question: What are the equipment verification requirements of a Supervisor?

Answer: Before beginning a bingo occasion the Supervisor for that occasion must:

- 1. Verify that all equipment is in sound working condition;*
- 2. Verify that the use of the equipment and the methods of play provide each player an equal opportunity to win; and*
- 3. Verify, in the presence of one or more players, that all bingo balls are present and that there are no duplicate balls.*

Question: Is there a regulation that we have to post our admissions charge?

Answer: Yes, and you must also post the cost of your cards. R15-7-218 states "A bingo licensee shall, before the sale of cards for a bingo occasion, post a notice in a conspicuous place on the premises listing the charges for admission and cards." The same Rule furthermore requires you to charge all players the publicly posted rates.

